IN THE CLAIMS:

Please amend the claims as follows:

1.-5. (Cancelled)

6. (Currently Amended) A magnetic ink encoding stylus, comprising:

a penpoint adapted to apply magnetic ink to a surface; and

a magnetic ink write head, coupled to the penpoint and ~~adapted~~ to apply a varying magnetic flux to the magnetic ink as it is applied by the penpoint to the surface.

7. (Previously Presented) A magnetic ink encoding stylus, comprising:

a penpoint adapted to apply magnetic ink to a surface; and

a magnetic ink write head, coupled to the penpoint and adapted to apply a varying magnetic flux to the magnetic ink as it is applied by the penpoint to the surface wherein the magnetic ink write head includes:

a magnetic field generator, and

a magnetic shield.

8. (Original) The apparatus of claim 7, wherein the magnetic field generator includes a magnetic coil.

9. (Original) The apparatus of claim 8, wherein the magnetic coil is a wire coil.

10. (Original) The apparatus of claim 7, further comprising a magnetic field director.

11. (Original) The apparatus of claim 10, wherein the magnetic field director includes an iron core element.

12. (Original) The apparatus of claim 6, wherein the magnetic ink write head includes a plurality of magnetic pole faces.

13. (Original) The apparatus of claim 6, further comprising a signal generator coupled to the magnetic ink write head.

14. (Currently Amended) The apparatus of claim 13, wherein the signal generator includes a~~ ~~an~~ analog timing signal generator.

15. (Original) The apparatus of claim 13, wherein the signal generator includes a digital signal generator.

16. (Original) The apparatus of claim 13, further comprising a pressure sensor coupled to the signal generator.

17. (Original) The apparatus of claim 6, further comprising encoding electronics coupled to the magnetic ink write head.

18. (Original) The apparatus of claim 17, further comprising a direction sensor coupled to the encoding electronics.

19. (Original) The apparatus of claim 6, further comprising a port adapted to be coupled to an external computer bus, said port coupled to the magnetic ink write head.

20. (Original) A computer system, comprising:

    a computer, including

        a processor;

        a memory coupled to the processor; and

        an external bus coupled to the processor; and

    a magnetic ink encoding stylus, including

        a penpoint adapted to apply magnetic ink to a surface;

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a magnetic ink write head coupled to the penpoint and adapted to apply a varying magnetic flux to the magnetic ink as it is applied by the penpoint to the surface; and

a port coupled to the magnetic ink write head and to the external bus.

21. (Original) The computer system of claim 20, wherein the magnetic ink encoding stylus includes a signal generator.

22. (Original) The computer system of claim 20, wherein the magnetic ink encoding stylus includes encoding electronics.

23. (Original) The computer system of claim 20, wherein the computer includes:

a graphics tablet coupled to the processor; and

a handwriting recognition application coupled to the processor.

24. (Currently Amended) A method of storing information, comprising:

applying magnetic ink on a surface; and

applying a varying magnetic flux to the magnetic ink to store information in said magnetic ink <u>as it is applied to the surface</u>.

25. (Original) The method of claim 24, wherein the information is digital information signal.

26. (Original) The method of claim 24, wherein the information is security data.

27. (Original) The method of claim 24, wherein applying a varying magnetic flux to the applied magnetic ink includes:

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generating a varying magnetic field corresponding to an information signal, the varying magnetic field intersecting the applied magnetic ink.

28. (Original) The method of claim 27, further comprising:

responsive to sensing stylus pressure, generating the information signal.

29. (Original) The method of claim 27, wherein the information signal is a timing signal.

30. (Original) The method of claim 27, wherein the information signal is received from a computer.